

July 27, 1988

TO: Atlas General File, M/037/051
FROM: Frank Filas, Reclamation Engineer
RE: Transfer and Bonding of Atlas Mine Sites

It is my understanding that Atlas Minerals is having a firesale and will be transferring up to eight of their mine sites or portions of them to other companies. The majority of these sites are overbonded at the present time because Atlas did not develop the mines to the extent proposed and they have done quite a bit of clean up and reclamation during the past five years. The current bond amount and a new bond estimate is listed below for seven of these mines. The estimate can, obviously, be reduced further if portions of the site(s) are reclaimed prior to permit transfer.

<u>Mine Name</u>	<u>File No.</u>	<u>Current Bond</u>	<u>Proposed Bond</u>
Patti Ann	M/037/003	\$30,210	\$23,800
Standard I	M/037/005	\$23,018	\$ 5,700
Rim/Columbus	M/037/006	\$57,068	\$36,100
Standard II	M/037/011	\$ 9,795	\$ 1,300
Dunn	M/037/017	\$45,441	\$13,200
Far West	M/037/019	\$105,061	\$35,300
Ivy	M/037/034	\$11,657	\$ 3,500
	Total	\$282,250	\$118,900

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Rim/Columbus, M/037/006

Description:

This site encompasses approximately 16 acres. Twelve of these acres are located atop the mesa and the remaining four acres encompass waste dumps which are next to two portals on the side of the mesa. A letter by Sue Linner to Atlas in 1985 states that the operator will be responsible for sealing the portals located on the side of the mesa (Columbus and Humbug), but no waste dump reclamation in this area is indicated. Final reclamation of the site will also encompass removal of several small buildings and the hoist structure. The waste and stockpile areas and the treatment ponds will have to be regraded and covered with available topsoil.

<u>Item</u>	<u>Amount</u>	<u>Rate</u>	<u>Cost</u>
Removal of Structures and debris	Buildings and hoist	Lump sum (limited salvage)	\$5,000
Plug Boreholes	2	\$250/ea	,500
Seal Portals	2	\$750/ea	1,500
Backfill & Seal Shaft	1	\$2,000/ea	2,000
Regrade & Topsoil 12 acres	160 hours D-7	\$110/hr	17,600
Rip & Seed 12 acres	D-7 w/one laborer 16 hours	\$125/hr	2,000
Seed	12 acres	\$60/ac	,700
		Subtotal	\$29,300
		10% Contingency	2,900
		Total in 1988 \$	32,200
		Escalation (2.3% for 5 years)	3,900
		Total in 1993 \$	\$36,100